

# 5 Lessons a Millionaire Taught Me

by Richard Paul Evans (2004)

Will you be one who helps others or one who looks to others for help? There are 3.5 million millionaires in USA. In 1946, household debt was 22% of disposable income (11% savings), today it is 130% (with no savings). 80% of lottery winners are bankrupt within 5 years. The wealthy understand the principles of wealth and live by them. We can choose to live the lives we desire. **Choice is the beginning of all journeys.** If we think we will fail, we most likely will.

Write down my desires on my list of goals. Money makes a good servant but a bad master. If you don't control your money, it will control you. Clarify how your time is best used and focus where it is most profitable. Regular income should be used for regular expenses and occasional income for occasional expenses. Understanding exactly where you are spending your money is the most important step to controlling it (look for ways to reduce spending).

**It's not what you earn, but what you keep that makes you rich.** Most American millionaires save 15-20% of their income. A nest egg is the money set aside for future expenses, but it can be the egg left in the nest to encourage the hen to keep laying. Removing money from savings is like killing the goose that laid the golden eggs (let compound interest work for you). Save 10% & use 10% to pay off debt. The Millionaire mentality looks for ways to reduce costs and increase income. Pay attention to opportunities all around you. Our beliefs shape our reality more than our reality shape our beliefs. Ask if each expenditure contributes or takes away from my wealth.

50% of grocery store purchases are impulsive. Delayed gratification is better than momentary pleasure. Happiness does not come from spending. Protect the nest egg. The average 1950 home was 1100 SF, 1400 SF in 1970 and 2000 SF in 2000. 86% of Americans felt better after voluntarily cutting back. It is very empowering to say "no" to a strong-arm sales pitch. The difference between the poor & rich are one pays interest & the other earns it. Those who forget to be grateful for what they have often waste their lives and wealth looking for more. **Their thirst becomes unquenchable as they seek to buy what cannot be bought.**

## Lessons:

1. Today I decide to be wealthy
2. Take responsibility for your money
3. Keep a portion of everything you earn
4. Win in the margins (save more, spend less)
5. Give back

Quotes: **"Too many people spend money they don't have, to buy things they don't want, to impress people they don't like."** "When you cease to give, you begin to die." (Eleanor Roosevelt)

Other books: The Millionaire Next Door (Thomas Stanley), The Millionaire Mind (Thomas Stanley), Think & Grow Rich (Napoleon Hill), Richest Man in Babylon (George Clason)  
See his website at [www.thefivelessons.com](http://www.thefivelessons.com)